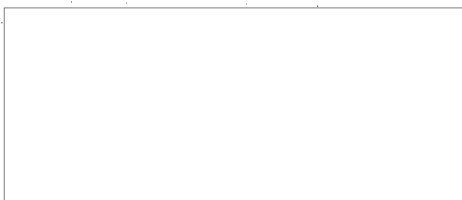


The President's Daily Brief

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August 10, 1974

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FOR THE PRESIDENT ONLY

THE PRESIDENT'S DAILY BRIEF

August 10, 1974

PRINCIPAL DEVELOPMENTS

The world in the past 24 hours has seemed to mark time as the US succession process worked itself out. None of the potential troublemakers has produced even a rumble. (Page 1)

In Geneva, the atmosphere at the Cyprus peace talks has improved. The British say the conference has settled down to a "reasonably pragmatic performance." (Page 3)

Israeli aircraft bombed fedayeen targets in south-eastern Lebanon yesterday for the third straight day and the Israelis also flew a reconnaissance mission over Syrian lines for the first time since May 24. The Syrians meanwhile appear to have begun flying their new MIG-23 fighters. (Page 5)

Somalia may have given the USSR "full base rights" and "full" access to all Somali airfields under terms of the recent but still-unpublished Soviet-Somali Friendship Treaty. (Page 6)

Racial violence in Angola is hampering the local military junta's efforts to form a provisional coalition government preparatory to gaining independence from Portugal. (Page 7)

A note on Ethiopian military-government friction appears on Page 8.

FOR THE PRESIDENT ONLY

*FOR THE PRESIDENT ONLY***WORLD**

The world in the past 24 hours has seemed to mark time as the US succession process worked itself out. None of the potential troublemakers--Vietnam, Korea, Cyprus, fedayeen--has produced even a rumble. It may be that many have not had time to consider how the situation might be turned to advantage. Many, the Soviets for example, had probably not anticipated the situation to come to a climax so rapidly and, still in something of a state of shock, are without fixed course. These conditions will naturally dissipate quickly.

Some of those most concerned--the Soviets, the Chinese, the Egyptians, the West Europeans--will be looking for reassurance and will be buoyed by the vote of confidence that President Ford has given to Secretary Kissinger.

The initial Soviet response, as communicated to us, has been pretty much along the lines anticipated. The Soviet public reaction has been guarded. The stress is on the expectation that the new US President will follow the course of his predecessor. The support for detente in the US, they say, rests on durable forces, not on the fate of individual leaders. This is what the Soviet leaders would like to believe and have others believe.

Moscow may, in fact, be a bit more worried than these expressions of confidence show. The American desk officer at the Soviet Foreign Ministry remarked to Ambassador Stoessel yesterday that the main concern of the Soviet government is that the direction of US-Soviet relations, established in recent years, be continued.

Moscow's East European allies have all reported President Ford's succession. In most cases they have provided generally favorable biographies on the President, noting that he has supported "Cold War" positions in the past but now holds favorable views on US-Soviet relations.

Fighting continued Friday on Cyprus as both sides sought to improve their positions in all parts of the island. The conference in Geneva, however, is reported to be settling down to serious discussion.

(continued)

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We have noted no development in the Middle East that we would trace to the events in Washington. Scheduled consultations on the negotiating process continue, and in most Arab capitals the desire for an early Geneva peace conference remains undiminished. Sadat is pursuing his efforts to reconcile Arab differences, and is trying to postpone an Arab summit conference, which he thinks would be divisive. Sadat is conducting a risky sideshow with Libya, but he is likely to keep it in the nature of a back-fence squabble. He has, indeed, renewed his offer of a new dialogue with Tripoli.

Spoiling operations by such fedayeen groups as the Popular Front for the Liberation of Palestine can still be expected, and all the more so as a Geneva conference approaches.

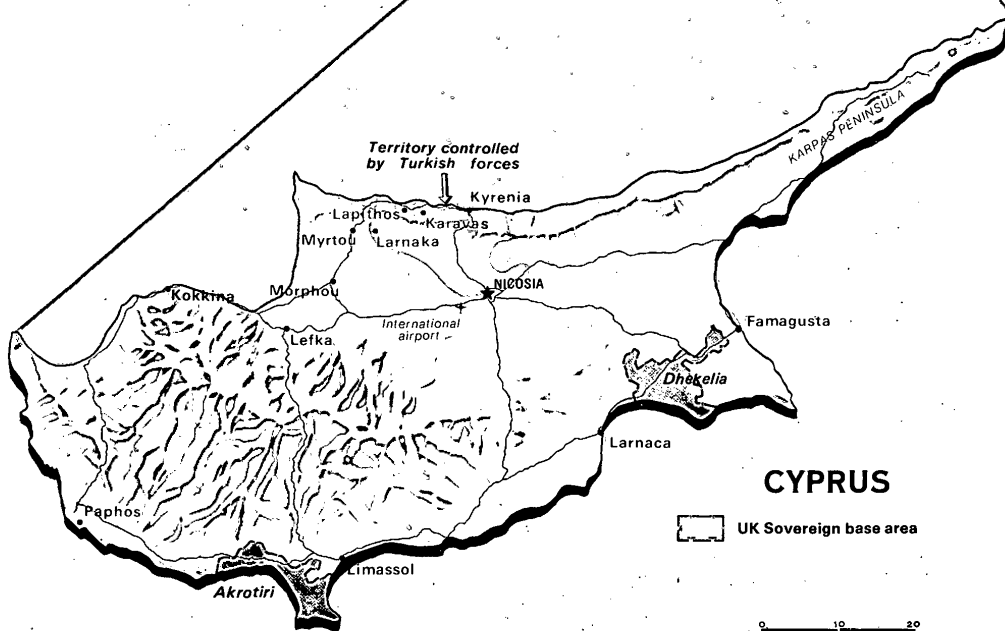
The fighting in South Vietnam yesterday was at modest levels. We found no new signs of any early spread in the fighting or of any sharp increase in its intensity. President Thieu put South Vietnamese forces on a full alert against the possibility that the North Vietnamese might try to take advantage of the situation. The North Vietnamese have confined themselves so far to warning President Ford not to follow past US policies toward Indochina.

North Korea took no visible steps that could be interpreted as getting ready for some sort of spoiling action. Its single commentary, 21 hours after President Nixon's resignation, used typically abusive language in briefly noting the "falling out" of the "wicked boss" of the US imperialists. It did not mention Ford's accession to the presidency.

Peking has informed the Chinese people of the change, but has not yet told them how to think about it. The New China News Agency quoted favorably Mr. Nixon's reference in his resignation speech to his "unlocking the doors" between the US and China.

In Japan, concern was expressed in some quarters that the new administration in Washington might lean in the direction of increased trade protectionism.

In Latin America, Havana hailed the departure of former President Nixon as the removal of a major obstacle to a fresh approach to the Cuban problem.



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CYPRUS

The atmosphere at the Geneva peace talks improved somewhat yesterday with the negotiation in Nicosia of a partial accord on truce lines. The remaining truce lines were referred to Geneva for further negotiation. The British anticipate final agreement on the truce line, but it may take some hard bargaining.

The partial accord reportedly was facilitated by the Greek representative's acceptance of troop dispositions of August 9 as the base point. The Greeks had been insisting on those of July 30, the date of the first Geneva declaration, or those of July 22, the date of the UN cease-fire resolution.

A pro-government newspaper in Ankara has published details of the proposal the Turkish delegation in Geneva is expected to present on a "United Republic of Cyprus." The proposal comes close to de facto partition. Autonomous Greek and Turkish Cypriot administrations would each have responsibility for their own finance, commerce, education, domestic security, justice, and even military forces. The federal government and parliament, which would be split equally, would be left with little more to do than regulate relations between two autonomous areas.

The newspaper account allots the Turkish Cypriots some 30 percent of the island--north of a line from Kokkina on the northwest coast, to Lefka, through Nicosia, to Famagusta on the east coast--considerably more territory than Turkish troops hold. This territorial bid is probably Turkey's most ambitious position and is negotiable. Foreign Minister Gunes, however, has hinted that the Turks are prepared to renew military action if they do not attain their minimum objectives in Geneva.

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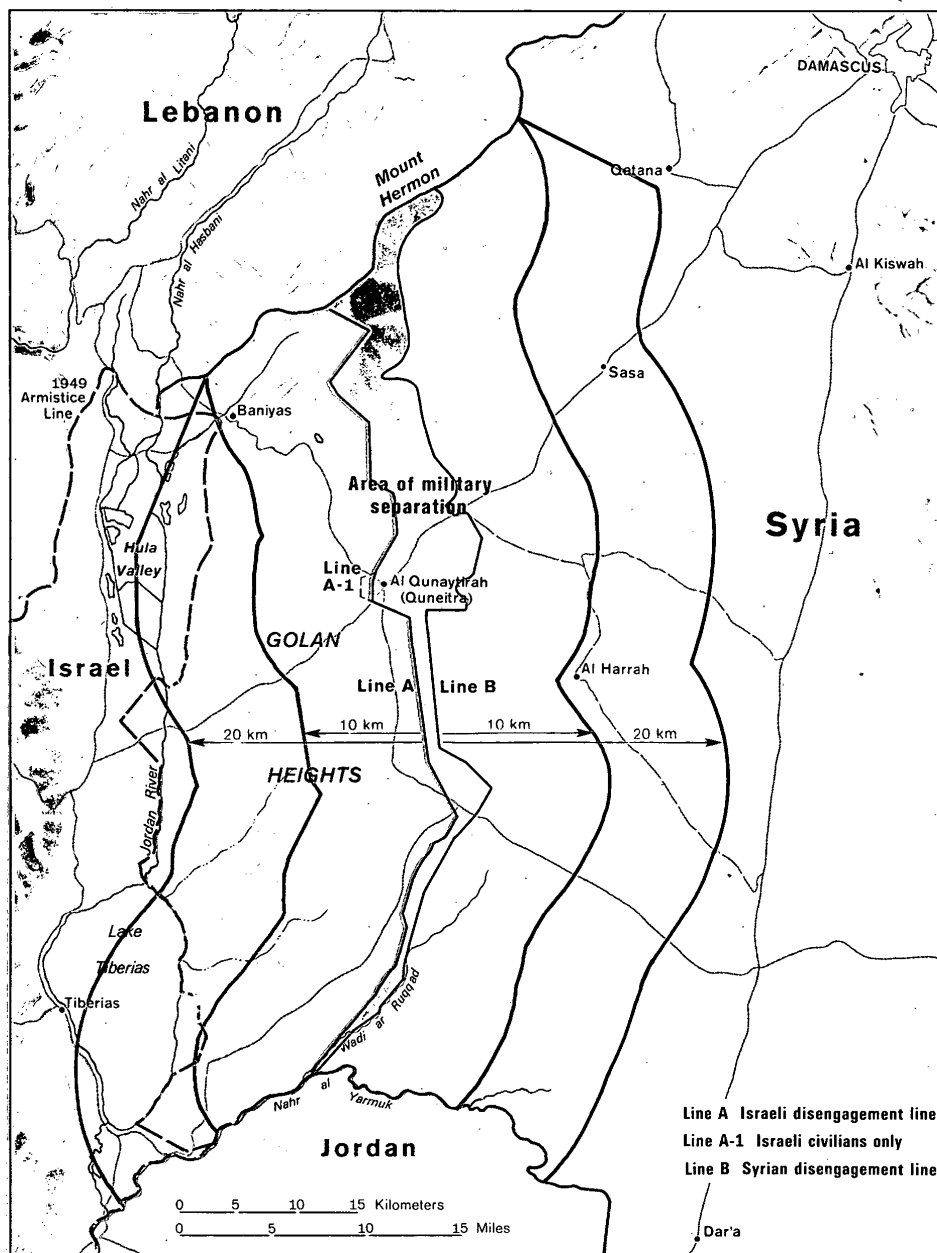


A military venture does not now seem reasonable to obtain objectives that might be won diplomatically. Turkish political leaders are still making the decisions in Ankara, and our best evidence indicates they prefer a negotiated settlement.

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Turkish government leaders, however, are committed to securing an improved position for Turkey and Turkish Cypriots on Cyprus. If they cannot do this peacefully, nationalistic fervor in Turkey has created a receptive atmosphere for a political decision in favor of another military operation.

The US embassy in Athens believes that the Greek government will be realistic in accepting modifications in the 1960 London-Zurich accords favorable to Turkish Cypriots and Ankara. The Greek government can live with relatively significant changes in intercommunal relations and will find it easier to explain away concessions now, while the memory of the ex-junta's folly is fresh, rather than later.



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FOR THE PRESIDENT ONLY

ISRAEL-ARABS

Israeli aircraft bombed fedayeen targets in southeastern Lebanon yesterday for the third consecutive day, apparently in the same general areas as other recent raids. The Israeli action probably is related to operations that the Israelis have mounted in retaliation for the abduction of several Israeli Arab villagers by fedayeen earlier in the week.

Syrian antiaircraft fire downed a UN transport yesterday, killing nine Canadians. Syrian aviation authorities say the plane was flying in an area where Syrian air defense units were engaging Israeli aircraft that were bombing targets in southern Lebanon. Although the Syrians have acknowledged responsibility for the incident, the Israelis deny any of their aircraft were in action at the time the UN plane crashed.

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The Israelis also flew a reconnaissance mission over Syrian lines yesterday for the first time since May 24. [REDACTED]

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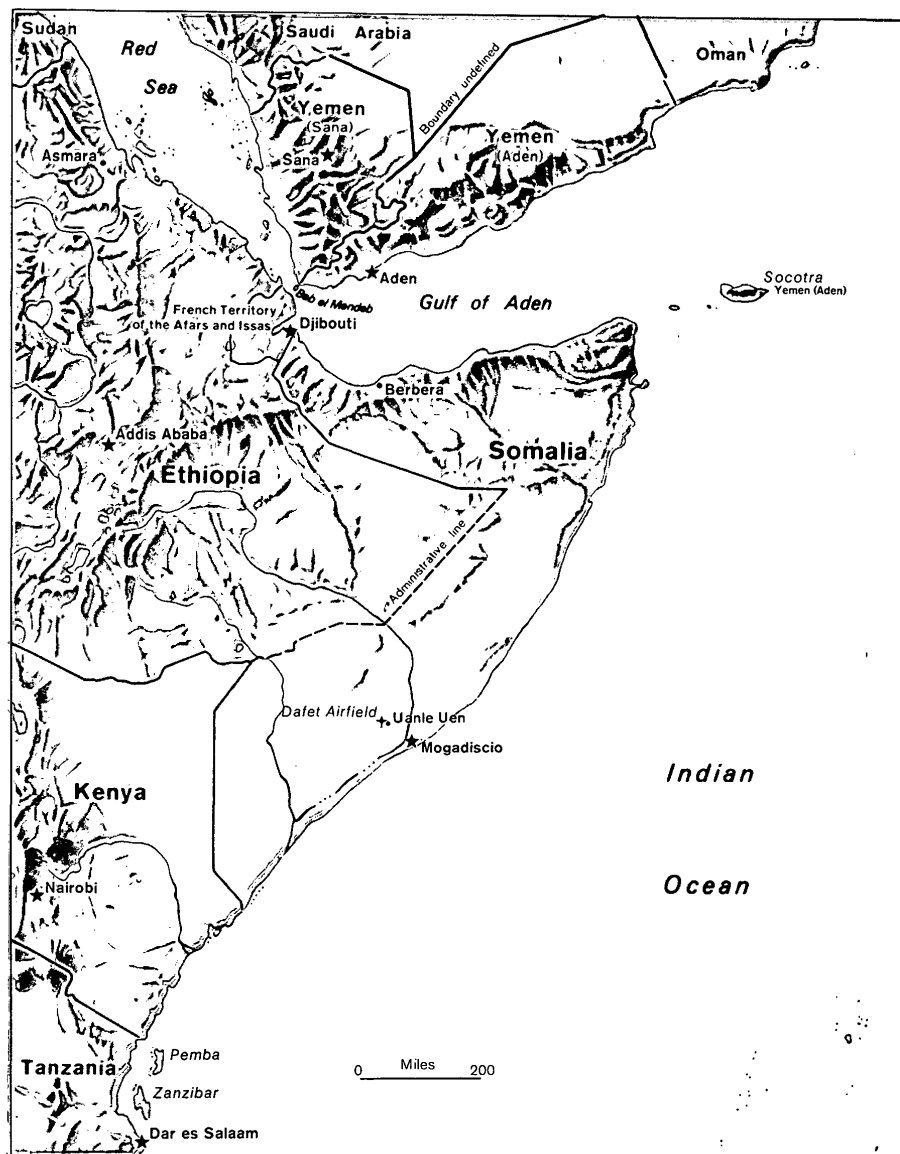
The Syrians, meanwhile, appear to have begun flying their new MIG-23 fighters. [REDACTED]

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[REDACTED] About 40 of the aircraft have been delivered to Syria so far.

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FOR THE PRESIDENT ONLY

USSR-SOMALIA

The Somali government is now reported to have given the USSR "full base rights" and "full" access to all Somali airfields under terms of the still-unpublished Soviet-Somali Friendship Treaty signed in Mogadiscio on July 11. The USSR in return is to provide Somalia with arms and related equipment over a 10-year period. According to this report, the Soviets also have been given access to Dafet airfield near Mogadiscio for "observation aircraft."

Somalia long resisted Soviet pressures for the Friendship Treaty and has heretofore been a frequent critic of foreign bases in Africa. The Somali government, however, depends heavily on the USSR for military assistance, and this factor may have impelled Mogadiscio to provide increased, and formalized, access to its facilities.

The Soviets would find it advantageous to stage naval reconnaissance flights from Somalia

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The USSR may hope to follow in Somalia a pattern it has established in Guinea, where these reconnaissance aircraft use Conakry airport periodically.

The agreement may not only formalize the routine access the Soviets already have to naval facilities at Berbera, but may also provide for some expansion of these facilities. The USSR is well aware, however, of the sensitivity in Somalia as well as among its neighbors to the acquisition of bases by the big powers.

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ANGOLA

Racial violence is hampering the local military junta's efforts to form a provisional coalition government preparatory to gaining independence from Portugal. Much of the violence in Luanda, Angola's capital and most urbanized area, has been caused by whites attacking blacks, but black Angolans also are reported to have been fighting among themselves. Supporters of the three Angolan insurgent organizations have also taken to the streets.

Angolan security forces have been ineffectual, seemingly reluctant to use a heavy hand against blacks or whites. Lack of decisive action on the part of the authorities risks a serious erosion of the security situation, worse racial violence, and possibly antigovernment action by die-hard whites.

Earlier hopes that Angola's independence would be some time in coming have been jolted by the speed-up in Lisbon's timetable for independence in all of its overseas territories. Some whites seem to be reacting to rumors that the military government is about to hand the territory over to the insurgents. At the least, white inhabitants believe that the emphasis has shifted to winning insurgent participation in a coalition government at the expense of other Angolans.

These whites fear a repetition of events at the beginning of the Angolan rebellion in the early 1960s when numerous white settlers were killed.

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NOTE

Ethiopia: Prime Minister Mikael has averted a confrontation with the Armed Forces Coordinating Committee by agreeing to dismiss four cabinet ministers accused of corruption by the military. The military had threatened to take over the government if the ministers, who were appointed on August 3, were kept in office. The four reportedly will be arrested shortly.

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